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SUBJECT: MFA OUTLINES BUREAUCRATIC DIFFICULTIES IN ADVANCING

BILATERAL AGENDA BEFORE POTUS VISIT

Ref: A) Hanoi 2624; B) Hanoi 2663

- 11. (SBU) Summary: On October 23, the DCM met with MFA Americas Department Deputy Director Nguyen Ba Hung to discuss the status of bilateral issues in advance of the POTUS visit. The DCM reviewed the list of as-yet unresolved official and commercial agreements that need to be concluded, noting our desire to make the POTUS visit as substantive as possible. Explaining the MFA's role as the coordinator for POTUS deliverables, Hung outlined various bureaucratic and political obstacles to finalizing agreements, as well as the recent anxiety of some GVN leaders over U.S. support for free speech and political change in Vietnam. Comment: With APEC weeks away, the GVN is indeed overtaxed, but sustained USG pressure across the board will help the GVN (and MFA) focus on our priorities and nail down a good package of deliverables. End Summary.
- 12. (SBU) The DCM began the meeting by stressing our desire to achieve a full range of substantive objectives for the POTUS visit. The DCM urged the GVN to accelerate its efforts to reach agreements in a number of areas, including Peace Corps, PSI, the nuclear fuel removal at the Dalat reactor and the DEA-Ministry of Public Security law enforcement MOU. He also mentioned the need for further progress on religious freedom in advance of the decision on Country of Particular Concern status. He noted progress needed to finalize commercial agreements with U.S. businesses prior to the President's visit and to sign a bilateral maritime agreement. Finally, he discussed Administration efforts to work with members of Congress to address issues which have led several senators to place holds on PNTR legislation.

Bureaucracy: Inter-Agency Coordination Slow

- 13. (SBU) In addition to commenting on several issues, Hung spoke generally about the procedural difficulties of resolving these matters in the GVN. While the MFA is working as coordinator to push for progress with the various lead ministries, most of the issues raised by the DCM are "beyond the control of the MFA," Hung complained. He mentioned the Peace Corps and Dalat nuclear fuel agreements, saying that the MFA is working hard but does not have anything new to report. The MFA still wants to get as much as possible done, but a lot of work remains.
- 14. (SBU) Hung mentioned bureaucratic difficulties related to procedures put in place (since June) by the new administration of Prime Minister Nguyen Tan Dzung, which require a higher degree of formal inter-agency coordination; it is no longer possible for the MFA to sign an agreement on behalf of another GVN ministry if the MFA is not the lead GVN agency responsible for implementation of the agreement. On the other hand, each ministry now has the authority to enter into direct agreements with foreign partners, provided the Prime Minister approves. (In this regard, Hung underscored that the Ministry of Education and Training is authorized to complete a government-to-government Peace Corps agreement with the United States.) Regarding our list of pending bilateral agreements, Hung said it is a question of getting it done "both your way and our way," and not just "telling us what to do."

¶5. (SBU) In any event, we need to prepare for a successful visit under any circumstances, Hung agreed. We want the relationship to move forward and not focus on setbacks. Both sides should realize this and work together. So many things are still unclear. PSI and the Dalat nuclear fuel issues still "need much further work." The MFA leadership meets almost daily with other senior leaders to push these and other issues forward.

Politics: Hard-liners' Criticism Makes MFA's Job Harder

- 16. (SBU) Noting that anti-government political activists had become more active recently, Hung said that some GVN officials have been working more intensely to "protect the political stability and security of Vietnam." At this point, Hung raised the Ambassador's statement, made during an October 2 interview with Radio Free Asia, supporting the right of political free speech (Ref A). "Some officials" in Vietnam are upset by these comments, he said. Referring to the 2005 joint statement of POTUS and PM Phan Van Khai, Hung praised President Bush's "positive statement" as reassuring GVN leaders that the United States is not an enemy of the regime in Vietnam. Now, these leaders "have to rethink how to integrate into the world and maintain stability." The GVN will never accept regime change, stated Hung. He stressed there is "concern and anxiety" among the leaders and agencies involved. What is needed now is a framework to build a partnership similar to the President's statement in 2005, he concluded.
- 17. (SBU) The DCM responded that the bilateral relationship has grown much over the past year. It is disappointing, he continued, that the MFA would feel it necessary or appropriate to ask the Ambassador to refrain from stating established U.S. policy supporting universal political and human rights. The Ambassador has worked hard to

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strengthen relations between our countries, the DCM underlined.

¶8. (SBU) Hung said he raised the point because he needed to say it "in order to avoid pressure from any [GVN] group that might want to control what we accomplish" before the President's visit. He described the difficulty the MFA has experienced in gaining inter-agency approval for commitments related to, for example, International Religious Freedom. Some in the GVN say, "out of CPC today, in again tomorrow." Addressing this attitude has a lot to do with trust building. At present, the GVN is asked to provide information about the exact number of new churches, but, according to Hung, this is very difficult. "Let them grow up naturally, rather than as a response to pressure from the U.S. side." The DCM responded that a more definite figure of expected church registrations could serve as a goal for what the GVN expects to achieve.

Comment: We Should Keep Pushing

19. (SBU) With leaders from a score of economies arriving in Hanoi in just over three weeks' time, the GVN inter-agency team is indeed overstretched. Those pushing hardest will probably get the most. The bureaucratic issues mentioned by Hung are real, but the pressure to move quickly in advance of President Bush's arrival on November 17 is as well. We will continue to press forward on all fronts.

MARINE